



Report to the Auburn City Council

Action Item

Agenda Item No. **5**

City Manager's Approval

To: Mayor and City Council
From: Robert Richardson, City Manager
Date: December 9, 2013
Subject: Acceptance of a Grant from the Skyview Foundation

The Issue

Shall the City accept a grant of \$175,000 from the Skyview Foundation to help fund the remaining balance in the School Park Preserve Fund?

Conclusion and Recommendation

That the City, by resolution, accept a grant of \$175,000 from the Skyview Foundation to help fund the remaining balance in the School Park Preserve Fund.

Background

The multimillion dollar School Park Preserve Project was developed and executed through a team approach which included several community/nonprofit organizations and the City. It was funded through a wide range of sources including multiple State & Federal grants, gifts through nonprofit organizations, individual donations, the Army Corp of Engineers and \$500,000 in City funding.

By the end of the project there was an outstanding balance of \$396,431. Staff conducted a long analysis to determine where the overage occurred on the project. At his last budget presentation, then Administrative Services Andy Health provided a detailed discussion of his analysis. In essence the overage fell into two categories; 1) City Ancillary Costs and 2) construction overage.

\$96,071 of this balance was Ancillary costs broken into two areas, Staff Costs and Project-Wide Cost of Capital. These costs were booked in hopes that the grants received by the Army Corp of Engineers would not be fully expended on construction costs which would then allow the City to charge these applicable costs against the grant amount. However the grants were fully expended in construction and none of these booked costs could be charged to the grants. The remaining \$300,359 was attributed to cost overruns throughout the course of the project.

I therefore had a series of meetings with Bob Gilliom of the Skyview Foundation, one of the major participants in the development and funding of the entire project, to discuss the

retirement of this balance. Mr. Gilliom agreed to grant another \$175,000 to the City to cover more than half of the overrun balance. With this grant, staff will follow up with our recommendation during the mid-year budget presentation to close this account.

Fiscal Impact

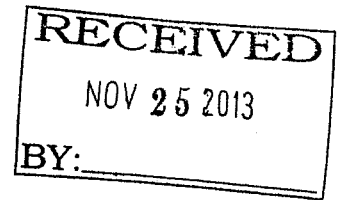
\$175,000 gift from the Skyview Foundation.

Attachments

Letter from the Skyview Foundation

SKY VIEW FOUNDATION

PO Box 280 Lake Oswego OR 97034
(503) 636-1199 fax (503)636-0170



18 November 2013

Robert Richardson
City Manager
City of Auburn
1225 Lincoln Way
Auburn CA 95603

Dear Bob,

As you and I have agreed, enclosed is \$175,000, granted to the City of Auburn from Sky View Foundation, for the purpose of sharing the remaining budget gap (in the range of \$350,000-\$400,000) associated with past work on developing Auburn's School Park Preserve.

The City and the Foundation have worked together to carefully and thoroughly review all records of funding and expenses for the acquisition and construction of the Park in an effort to account for the gap. Clear-cut identification of the cause of the budget gap is not possible, and I concur that the best course is to share the responsibility and, by this grant, settle the matter.

A handwritten signature in cursive script, appearing to read "R. Gilliom".

Robert J. Gilliom
President

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RESOLUTION NO. 13-

RESOLUTION ACCEPTING A GRANT TO HELP FUND THE REMAINING
BALANCE IN THE SCHOOL PARK PRESERVE FUND

THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

That the City Council accepts a grant of \$175,000 from the Skyview
Foundation to help fund the remaining balance in the School Park Preserve
Fund.

DATED: December 9, 2013

Kevin Hanley, Mayor

ATTEST:

Stephanie L. Snyder, City Clerk

I, Stephanie L. Snyder, City Clerk of the City of Auburn, hereby certify
that the foregoing resolution was duly passed at a regular meeting of the City
Council of the City of Auburn held on the 9th day of December, 2013 by the
following vote on roll call:

Ayes:
Noes:
Absent:

Stephanie L. Snyder, City Clerk